



*Taking Telecommunications into the Future*

March 7, 2014

Chairman Thomas Wheeler  
Commissioner Mignon Clyburn  
Commissioner Jessica Rosenworcel  
Commissioner Ajit Pai  
Commissioner Michael O'Rielly  
Jonathan Chambers  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20024

RE: Expression of Interest – Rural Broadband Trials  
Connect America Fund, WC Docket No. 10-90

Dear Chairman Wheeler, Commissioners and Mr. Chambers:

This letter is to express Vistanet Telecommunications, Inc.'s interest in receiving funding from the Rural Broadband Trials announced at the January 30<sup>th</sup> FCC Open Meeting.

**Background**

Vistanet Telecommunications, Inc. (Vistanet) is an innovative start-up company that plans to provide high speed broadband Internet connections to underserved and unserved North Carolina. Utilizing a combination of fiber-to-the-premise and fixed wireless technology which includes proprietary antennas and repeaters, Vistanet will be able to serve a large area with broadband Internet connections.

Vistanet is located in Asheville, North Carolina and was founded by Andrea M. Robel who has more than 30 years of experience in the rural telecommunications industry.

### **Geographic Territory**

Vistanet Telecommunications, Inc. plans to provide high speed Internet and telephone service to four areas within Western North Carolina initially. Vistanet has identified these areas as the most critical needs areas. This determination was made by actual requests for service that we have received from residents, businesses and the municipalities in these areas. These areas will also serve as hubs to start the build-out process to cover all of Western North Carolina.

The four initial areas that we have identified are:

1. Town of Lake Lure, Rutherford County, North Carolina
2. Cullowhee area, Jackson County, North Carolina
3. Bethel, Lake Logan areas, Haywood County, North Carolina
4. Andrews and rural Murphy areas, Cherokee County, North Carolina

### **List of Anchor Institutions**

MCNC, a technology non-profit has built and owns and operates a broadband infrastructure for North Carolina's research, education, non-profit healthcare, and other community institutions within the state of North Carolina. However, MCNC is a middle mile provider and does not provide last mile service. We will be tapping into MCNC's network of fiber resources to provide last mile service where MCNC (a non-profit) does not go.

### **Proposed Technology**

We plan to build out fiber-to-the-premise (FTTP). This will enable ultra-broadband to underserved and unserved areas. It will also allow us to provide telephone and eventually television services. In the extreme hard-to-reach areas, we plan to use fixed wireless Internet to get initial service to the unserved. Eventually, we would like to go back and build fiber-to-the-premise in these areas as monies become available.

Residential Service Rates	Speed	Price	VoIP
FTTP	25/25	59.99	24.95
	50/50	99.99	
	100/100	179.99	
Fixed Wireless	5.0/1.0	74.99	24.95
	8.0/1.5	94.99	
	10/1.5	114.99	
	10.0/2.5	144.99	

Fixed wireless service is more costly due to the mountainous terrain and lack of towers. Existing major tower owners require costly fees to collocate on existing towers. In addition, cellular telephone companies are given preferential treatment for collocating on towers. The counties and local municipalities in these areas have telecommunications ordinances in place that require high fees for collocating on existing towers or constructing new towers. All of these fees have to be passed on to the end-user.

### **Existing Providers**

Lake Lure – AT&T only in some areas and only provides DSL at best. Northland Cable has a very limited reach in only one small section of one neighborhood within the Town. The majority has dial-up. Cellular service is also very limited.

Jackson County, NC – Frontier is the local telephone company. They provide DSL in some limited areas. There are several small independent cable TV providers but they do not provide high speed Internet in all of their respective service areas. Cullowhee outside of the Western Carolina University campus area has extremely limited Internet. We are looking to provide service to Cullowhee and Tuckasegee area. There are a lot of university students and faculty that live in the area but have no Internet access.

Haywood County – Bethel and Lake Logan areas have limited DSL service by AT&T. Charter has Internet in only a border area. Television is provided by Dish and Direct TV.

Cherokee County – Murphy and Andrews areas to border area served by Blue Ridge Mountain EMC. There is limited wireless service in this area. AT&T provides DSL at best in limited areas.

Please refer to chart on following page.



Location	Carrier	Best Speed	Price	Services		
<b>Lake Lure, Rutherford County NC</b>	AT&T	DSL up to 6Mbps down	34.95 for 1sh 6 months	Internet	Limited availability No U-verse	
	AT&T	56K	19.95 plus phone	Dialup & phone		
<b>Cullowhee area, Jackson County, NC</b>	Frontier	DSL up to 6Mbps	Starts at 39	Internet	Limited availability	
	Frontier	56K		Dialup & phone Dish TV		
	Morris	20/2	74.95 plus TV & Phone	CATV Internet & Phone	Limited area	
<b>Bethel/Lake Logan area, Haywood County, NC</b>	AT&T	DSL up to 6Mbps down	34.95 for 1sh 6 months	Internet	Limited availability No U-verse	
	3DB	5/1	\$90	Wireless Internet	Line of site – limited	
	AT&T	56K	19.95 plus phone	Dialup & phone		
<b>Murphy/Andrews area, Cherokee County, NC</b>	Frontier	DSL up to 12 Mbps	\$39.99	Internet	Limited availability	
	Frontier	56K		Dialup & phone Dish TV		
	Cable TV of Cherokee County	Up to 5Mbps		Internet & Cable TV	Limited area	

### **State and/or Local or Tribal Government Participation in and/or Support for Project**

Lake Lure: Town government is extremely supportive of this project and recognizes that we are the only provider that is willing to build out at this time. However, they have no financial resources to aid in this project due to limitations by North Carolina state laws.

Jackson County: County government is extremely supportive of this project and recognizes that we are the only provider that can build out at this time. However, they have no financial resources to aid in this project due to limitations by North Carolina state laws.

Haywood County: County government is extremely supportive of this project and recognizes that we are the only provider that can build out at this time. However, they have no financial resources to aid in this project due to limitations by North Carolina state laws.

Cherokee County: County government is extremely supportive of this project and recognizes that we are the only provider that can build out at this time. However, they have no financial resources to aid in this project due to limitations by North Carolina state laws.

### **Project Timeline**

**Lake Lure, Rutherford County NC:** Construction engineering to start immediately upon funding.

**Cullowhee area, Jackson County, NC:** Construction engineering to start immediately upon funding.

**Bethel/Lake Logan area, Haywood County, NC:** Construction engineering to start immediately upon funding.

**Murphy/Andrews area, Cherokee County, NC:** Construction engineering to start immediately upon funding.

### **Scalability**

Lake Lure: 95% coverage with fiber. Homes and businesses will be served. Anchor institutions – local government and school are provided service by the local middle mile non-profit.

Jackson County: in the Cullowhee area, we anticipate approximately 50% coverage within the first phase. Mapping needs to be completed to determine actual locations of homes and businesses.

Haywood County – Bethel area: we anticipate approximately 60% coverage within the first phase. Mapping needs to be completed to determine actual locations of homes and businesses

Cherokee County: In the Murphy area, we anticipate approximately 60% coverage within the first phase. Mapping needs to be completed to determine actual locations of homes and businesses.

### **Total Business Investment**

Lake Lure: To serve the entire incorporated area is approximately \$45,000,000.

Jackson County: to serve a portion of the Cullowhee area for phase I, the approximate amount needed is \$25,000,000.

Haywood County: to serve a portion of the Bethel/Lake Logan area for phase I, the approximate amount needed is \$30,000,000.

Cherokee County: to serve a portion of Murphy and surrounding area within the county for the initial phase is \$45,000,000

### **Investment Needed**

The \$145,000,000 of funds required for the Rural Broadband trial is only a one-time investment. Once the plant is built and the end-users connected, revenues will sustain the network and allow for additional expansion to continue building out Western North Carolina.

Thank you for considering our Expression of Interest in your decisions about the amount of funding that will be allocated in the Rural Broadband Trials. We commend you in this effort to connect rural communities and are ready to help you close the digital divide.

Sincerely,



Andrea M. Robel  
President  
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